

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** July 1, 2008  
**POSITION:** Neutral

**BILL NUMBER:** AB 3010  
**AUTHOR:** S. Blakeslee

### **BILL SUMMARY**

This bill would authorize the Director of the Department of Mental Health (DMH), upon the request of the director of a specified state hospital to prohibit the possession or use of tobacco products by patients or any other person, on hospital grounds, except on the premises of residential staff housing where patients are not present. This bill would also require the Director of DMH to create an implementation plan that includes a phase-in period, an exemption for any departmentally approved religious ceremonies, and specified smoking cessation programs for requesting patients. This bill would prohibit the sale of tobacco products in a store or canteen at a hospital where an implementation plan is in place.

### **FISCAL SUMMARY**

It is believed that the costs related to the requirements of this bill, which include staff time associated with patient screening, searches, and the prevention of smuggling and bartering, and the development of a hospital-wide smoking cessation treatment program, are absorbable. However, this bill would also result in an unspecified loss of General Fund revenue from tobacco taxes generated from the sale of cigarettes at state hospital canteens, although the Assembly Committee on Appropriations estimates revenue losses of approximately \$100,000 per hospital.

### **COMMENTS**

The Department of Finance has a neutral position on this bill for the following reasons:

- It is believed that ongoing implementation costs incurred by the DMH would be absorbable.
- Short-term loss of tobacco tax revenue would be offset by the long-term savings generated by the reduction in tobacco-related health problems.

According to the author's office, this bill is necessary because it would eliminate the inconsistency in smoking policy that currently exists between state hospitals and correctional facilities, which do not permit tobacco use. Currently, all five state hospitals permit smoking within designated areas and the DMH allocates considerable staff resources to accommodate patients who smoke. Many of the patients at state hospitals are transferred from correctional facilities and are prone to relapse and resume smoking once they arrive. The author also points out that the state is responsible for the health and well-being of the patients in state hospitals and allowing them to smoke accommodates behavior which is known to cause health problems. Opponents of this bill state that its requirements violate a patient's right to smoke and that not allowing patients to smoke could potentially increase violent patient behavior rather than prevent it. Although this bill would result in a loss of tobacco tax revenue from the sale of cigarettes in state hospital canteens, it would also result in potentially significant long-term savings as this bill would address the high health care costs associated with the use of tobacco products.

Analyst/Principal (0523) J. Doyle	Date	Program Budget Manager Michael Wilkening	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

<b>BILL ANALYSIS</b>	Form DF-43 (Rev 03/95 Buff)
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**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)**

<b>AUTHOR</b>	<b>AMENDMENT DATE</b>
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**Form DF-43**  
**BILL NUMBER**

S. Blakeslee

July 1, 2008

AB 3010

	SO	(Fiscal Impact by Fiscal Year)							
Code/Department	LA	(Dollars in Thousands)							
Agency or Revenue	CO	PROP							Fund
Type	RV	98	FC	2008-2009	FC	2009-2010	FC	2010-2011	Code
4440/Mental Hth	SO	No		-----	See Fiscal Summary	-----			0001